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CONFERENCE OF THE PARTIES

REPORT OF THE CONFERENCE OF THE PARTIES ON ITS FOURTH SESSION, HELD AT BUENOS AIRES FROM 2 TO 14 NOVEMBER 1998

Addendum

PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES AT ITS FOURTH SESSION

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I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

Decision 1/CP.4

The Buenos Aires Plan of Action

The Conference of the Parties,

Having considered and reached conclusions upon the items included in its agenda at its fourth session,[1]

Determined to strengthen the implementation of the United Nations Framework Convention on Climate Change and prepare for the future entry into force of the Kyoto Protocol to the Convention, and to maintain political momentum towards these aims,

1. Adopts the Buenos Aires Plan of Action, as specified in its separate decisions on:

(a) The financial mechanism (decisions 2/CP.4 and 3/CP.4);

(b) Development and transfer of technologies (decision 4/CP.4);

(c) Implementation of Article 4.8 and 4.9 of the Convention (covering also Articles 2.3 and 3.14 of the Kyoto Protocol) (decision 5/CP.4);

(d) Activities implemented jointly under the pilot phase (decision 6/CP.4);

(e) The work programme on mechanisms of the Kyoto Protocol (decision 7/CP.4);

(f) Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, including work on the elements of the Protocol related to compliance and on policies and measures for the mitigation of climate change (decision 8/CP.4);

2. *Resolves* to demonstrate substantial progress on each of the above-mentioned issues in accordance with the time-frames contained in the relevant decisions.

8th plenary meeting
14 November 1998

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[1] FCCC/CP/1998/15.

Decision 2/CP.4

Additional guidance to the operating entity of the financial mechanism

The Conference of the Parties,

Recalling its decisions 11/CP.1, 10/CP.2, 11/CP.2 and 12/CP.2,

Recalling further that the Global Environment Facility (GEF), as stated in its operational principles for the development and implementation of its work programme,[1] will maintain sufficient flexibility to respond to changing circumstances, including evolving guidance of the Conference of the Parties and experience gained from monitoring and evaluation activities,

Welcoming the New Delhi Statement of the First GEF Assembly[2] and the Report on the Second Replenishment of the GEF Trust Fund, completed in March 1998,[3]

Noting the continued concerns and difficulties encountered by developing country Parties with the availability and disbursement of financial resources, including for the transfer of technology, the problems arising from the GEF project cycle, the application of the concept of incremental costs, and the availability of resources through the GEF implementing/executing agencies,

Noting also the current and ongoing efforts of the GEF to address these concerns, *inter alia*, by streamlining its project cycle, increasing support for country-level coordination, strengthening its monitoring and evaluation programme, ensuring that its activities are country-driven and consistent with national priorities and objectives, further developing its resource allocation strategy to maximize the effectiveness of its climate change activities and making the process of determining incremental costs more transparent and pragmatic,

Noting further the need to examine and address climate change impacts and minimize the adverse impacts, in particular for the Parties identified in Article 4.8 of the United Nations Framework Convention on Climate Change,

1. Decides that, in accordance with Articles 4.3, 4.5 and 11.1 of the Convention, the GEF should provide funding to developing country Parties to:

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[1] Global Environment Facility, *Operational Strategy* (Washington, D.C., February 1996), p. 2.

[2] See document FCCC/CP/1998/12, annex B.

[3] Document GEF/C.11/6 of 24 March 1998.

(a) Implement adaptation response measures under Article 4.1 of the Convention for adaptation activities envisaged in decision 11/CP.1, paragraph 1(d)(ii) (Stage II activities) in particularly vulnerable countries and regions identified in Stage I activities, and especially in countries vulnerable to climate-related natural disasters, taking into account their preparatory adaptation planning frameworks in priority sectors, the completion of Stage I activities, and in the context of their national communications;

(b) Enable them, in light of their social and economic conditions and taking into account state-of-the-art environmentally sound technologies, to identify and submit to the Conference of the Parties their prioritized technology needs, especially as concerns key technologies needed in particular sectors of their national economies conducive to addressing climate change and minimizing its adverse effects;

(c) Build capacity for participation in systematic observational networks to reduce scientific uncertainties relating to the causes, effects, magnitude and timing of climate change, in accordance with Article 5 of the Convention;

(d) Meet the agreed full costs of preparing initial and subsequent national communications, in accordance with Articles 4.3 and 12.5 of the Convention and decision 11/CP.2, paragraph 1(d), by maintaining and enhancing relevant national capacity, so as to prepare the initial and second national communications which will take into account experiences, including gaps and problems identified in previous national communications, and guidelines established by the Conference of the Parties. Guidance on subsequent national communications will be provided by the Conference of the Parties;

(e) Assist them with studies leading to the preparation of national programmes to address climate change, compatible with national plans for sustainable development, in accordance with Article 4.1(b) of the Convention and paragraph 13 of the annex to decision 10/CP.2;

(f) Assist in developing, strengthening and/or improving national activities for public awareness and education on climate change and response measures, in full accordance with Article 6 of the Convention and decision 11/CP.1, paragraph 1(b)(iii), and taking into account, where appropriate, relevant GEF operational programmes;

(g) Support capacity-building for:

(i) The assessment of technology needs to fulfil the commitments of developing countries under the Convention, the identification of sources and suppliers of these technologies, and the determination of modalities for the acquisition and absorption thereof;

(ii) Country-driven activities and projects to enable Parties not included in Annex I to the Convention (non-Annex I Parties) to design, evaluate and manage these projects;

(iii) Strengthening the capacity of non-Annex I Parties to host projects, including from project formulation and development to their implementation;

(iv) Facilitating national/regional access to the information provided by international centres and networks, and for working with those centres for the dissemination of information, information services, and transfer of environmentally sound technologies and know-how in support of the Convention;

2. *Requests* the GEF to continue to provide, and developing country Parties to avail themselves of, funding to translate, reproduce, disseminate and make available their initial national communications electronically;

3. *Encourages* the GEF to:

(a) Further streamline its project cycle with a view to making project preparation simpler, less prescriptive, more transparent and country-driven;

(b) Further simplify and expedite its procedures for the approval and implementation of GEF-funded projects, including disbursements for such projects;

(c) Make the process for the determination of incremental costs more transparent, and its application more pragmatic;

4. *Requests* the GEF to ensure that its implementing/executing agencies are made aware of Convention provisions and decisions adopted by the Conference of the Parties in the performance of their GEF obligations and are encouraged, as a first priority, whenever possible, to use national experts/consultants in all aspects of project development and implementation;

5. *Further requests* the GEF to include in its report to the Conference of the Parties the specific steps it has undertaken to implement the provisions of this decision.

8th plenary meeting
14 November 1998

Decision 3/CP.4

Review of the financial mechanism

The Conference of the Parties,

Recalling its decisions 9/CP.1, 11/CP.2, 12/CP.2 and 11/CP.3,

Taking note of the study of the overall performance of the restructured Global Environment Facility,[1]

1. *Decides* that the restructured Global Environment Facility shall be an entity entrusted with the operation of the financial mechanism referred to in Article 11 of the United Nations Framework Convention on Climate Change;

2. *Decides also*, in accordance with Article 11.4 of the Convention, to review the financial mechanism every four years, on the basis of the guidelines as contained in the annex to this decision or as they may subsequently be amended, and to take appropriate measures.

8th plenary meeting
14 November 1998

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[1] Gareth Porter, Raymond Clémençon, Waafas Ofosu-Amaah and Michael Philips, *Study of GEF's Overall Performance*, Global Environment Facility, March 1998.

Annex

GUIDELINES FOR THE REVIEW OF THE FINANCIAL MECHANISM

A. Objectives

In accordance with Article 11.4 of the Convention, the objectives will be to review the financial mechanism and take appropriate measures regarding:

(a) Its conformity with the provisions of Article 11 of the Convention;

(b) Its conformity with the guidance of the Conference of the Parties (COP);

(c) The effectiveness of the activities it funds in implementing the Convention;

(d) Its effectiveness in providing financial resources on a grant or concessional basis, including for the transfer of technology, for the implementation of the Convention's objective on the basis of the guidance provided by the COP;

(e) Its effectiveness in providing resources to developing country Parties under Article 4.3 of the Convention.

B. Methodology

The review shall draw upon the following sources of information:

(a) Information provided by the Parties on their experiences regarding the financial mechanism;

(b) Annual reviews by the COP on the conformity of the activities of the financial mechanism with the guidance of the COP;

(c) The annual report of the Global Environment Facility (GEF) to the COP on its activities as the operating entity of the financial mechanism, the annual reports of the GEF and other relevant GEF policy and information documents;

(d) Reports from the GEF monitoring and evaluation programme;

(e) Reports from the United Nations Commission on Sustainable Development and relevant bilateral and multilateral funding institutions;

(f) Relevant information provided by other intergovernmental and non-governmental organizations.

C. Criteria

The effectiveness of the financial mechanism will be assessed taking into account the following:

(a) The transparency of decision-making processes;

(b) The adequacy, predictability and timely disbursement of funds for activities in developing country Parties;

(c) The responsiveness and efficiency of the GEF project cycle and expedited procedures, including its operational strategy, as they relate to climate change;

(d) The amount of resources provided to developing country Parties, including financing for technical assistance and investment projects;

(e) The amount of finance leveraged;

(f) The sustainability of funded projects.

Decision 4/CP.4

Development and transfer of technologies

The Conference of the Parties,

Recalling the relevant provisions of the programme for the further implementation of Agenda 21 on the transfer of environmentally sound technologies adopted by the United Nations General Assembly at its nineteenth special session, and decision 6/3 of the Commission on Sustainable Development,

Further recalling the provisions of the United Nations Framework Convention on Climate Change, including its Article 4.1, 4.3, 4.5, 4.7, 4.8 and 4.9 and Articles 9.2, 11.1, 11.5, 12.3 and 12.4,

Noting that reports are under preparation which will contribute substantially to the understanding of technology transfer issues, including the secretariat technical papers on terms of transfer and adaptation technologies, and the Intergovernmental Panel on Climate Change (IPCC) special report on technology transfer,

Recognizing the need for continued efforts by Parties to promote and cooperate in the development, application, diffusion and transfer of technologies,

Recognizing that the private sector plays, in some countries, an important role in the development, transfer and finance of technologies, and that the creation of enabling environments at all levels provides a platform to support the development, use and transfer of environmentally sound technologies and know-how,

Having considered the progress reports presented by the Convention secretariat on the development and transfer of technologies,

Recalling and reaffirming its decisions 13/CP.1, 7/CP.2 and 9/CP.3,

1. *Agrees* that strengthening the capacities and capabilities of developing country Parties to address climate change will help these Parties to contribute to the ultimate objective of the Convention and to achieve sustainable development;

2. *Encourages* all relevant international organizations to mobilize and facilitate efforts to provide financial resources needed by developing country Parties to meet their agreed incremental costs, including development and transfer of technologies, enhancement of endogenous capacities, implementation of such measures as improving energy efficiency,

exploiting renewable energies, enhancing sinks and preparing for adaptation to adverse effects of climate change;

3. *Requests* Parties included in Annex II to the Convention (Annex II Parties):

(a) To take all practicable steps to promote, facilitate and finance, as appropriate, the transfer of environmentally sound technologies and know-how to developing country Parties and their access thereto;

(b) To support capacity-building and the strengthening of appropriate institutions in developing countries to enable the transfer of environmentally sound technologies and know-how;

4. *Further requests* Parties included in Annex I to the Convention (Annex I Parties), and in particular Annex II Parties:

(a) To assist developing country Parties in their efforts to build capacity and institutional frameworks to improve energy efficiency and utilization of renewable energies through multilateral and bilateral cooperative efforts;

(b) To provide assistance to developing country Parties to build capacity for sustainable management, conservation and enhancement, as appropriate, of sinks and reservoirs of all greenhouse gases not controlled by the Montreal Protocol, including biomass, forests and oceans as well as other terrestrial, coastal and marine ecosystems;

(c) To assist developing country Parties to build capacity to adapt to the adverse effects of climate change;

(d) To assist developing country Parties to strengthen their endogenous capacities and capabilities in the areas of technological and socio-economic research and systematic observation relevant to climate change and its associated adverse effects;

(e) Taking into account Article 6 of the Convention, to cooperate in and promote capacity-building of developing country Parties at the international, regional, sub-regional and national levels through cooperation programmes supported by United Nations and other multilateral agencies, as well as bilateral agencies;

5. *Requests* all Parties to enhance reporting in their national communications of technology cooperation and transfer activities and *invites* Parties not included in Annex I to the Convention (non-Annex I Parties) to include, where possible, their technology needs;

6. *Encourages* Parties to implement practical cooperation programmes and projects to promote and facilitate the transfer of technologies to reduce greenhouse gas emissions and facilitate adaptation to climate change and its adverse effects, while supporting sustainable development;

7. *Urges:*

(a) Annex I Parties, in their technology transfer activities, to take into account support for the development and enhancement of the endogenous capacities and technologies of developing country Parties;

(b) Annex II Parties to provide, as appropriate, for reference by developing country Parties, a list of environmentally sound technologies and know-how related to adaptation to and mitigation of climate change that are publicly owned, and to report in their national communications steps taken to implement Article 4.5 of the Convention;

(c) Non-Annex I Parties, in the light of their social and economic conditions, to submit their prioritized technology needs, especially those relating to key technologies to address climate change in particular sectors of their national economies, taking into account state-of-the-art environmentally sound technologies;

(d) Both developed and developing country Parties to create an enabling environment, as referred to in paragraph 2(e) of decision 6/3 of the Commission on Sustainable Development, to stimulate private sector investment in the transfer of environmentally sound technologies and know-how to developing countries and to promote the implementation of endogenous know-how;

8. *Invites* all Parties and interested international and non-governmental organizations to identify projects and programmes incorporating cooperative approaches to the transfer of technologies which they believe can serve as models for improving the diffusion and implementation of clean technologies under the Convention, and to provide information thereon to the secretariat, by 15 March 1999, for compilation into a miscellaneous document to be considered by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its tenth session;

9. *Requests* the Chairman of the SBSTA to establish a consultative process to consider the list of issues and questions contained in the annex to this decision, as well as any additional issues and questions subsequently identified by Parties, and to make recommendations on how they should be addressed in order to achieve agreement on a framework for meaningful and effective actions to enhance implementation of Article 4.5 of the Convention. Such a process should also consider issues identified in the secretariat progress report on transfer of

technology[1] and in submissions from Parties. The consultative process could include, resources permitting, regional meetings, regional workshops and a SBSTA workshop, arranged with the assistance of the secretariat and drawing upon the roster of experts and, as appropriate, experts engaged in the IPCC process;

10. *Further requests* the Chairman of the SBSTA to report on the outcome of the consultative process to the SBSTA at its eleventh session, with a view to recommending a decision for adoption by the Conference of the Parties at its fifth session;

11. *Invites* Parties to provide submissions to the secretariat, by 15 March 1999, on how the issues and questions listed in the annex to this decision should be addressed, as well as suggestions for additional issues and questions;

12. *Requests* the Convention secretariat:

(a) To continue its work on the synthesis and dissemination of information on environmentally sound technologies and know-how conducive to mitigating, and adapting to, climate change, and in so doing to complete its ongoing activities for 1999 as defined in the secretariat progress report;[2]

(b) In preparing the budget for the next biennium, to give priority to activities on the theme of building the capacity of Parties to enhance the transfer of environmentally sound technologies, as defined in the secretariat progress report,[2] including assessing and synthesizing information on environmentally sound technologies and know-how, and in so doing to identify specific tasks;

(c) To further strengthen its activities in support of capacity-building in developing country Parties with regard to the transfer of environmentally sound technologies and know-how.

8th plenary meeting
14 November 1998

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[1] FCCC/CP/1998/6.

[2] Ibid.

Annex

Issues	Questions
Practical steps to promote, facilitate and finance, as appropriate, transfer of, and access to, environmentally sound technologies and know-how	
Promote the removal of barriers to technology transfer.	How should Parties promote the removal of barriers to technology transfer? Which barriers are a priority and what practical steps should be taken?
Initiate and promote the transfer of publicly owned technology and those in the public domain.	What publicly owned technologies are available? How could Annex II Parties report upon them? How should Annex II Parties promote the transfer of publicly owned technologies?
Promote bilateral and multilateral technology cooperation to facilitate technology transfer.	What additional bilateral and multilateral efforts to promote technology cooperation to facilitate technology transfer should be initiated? What should be the priority?
Consider appropriate mechanisms for technology transfer under the Convention.	Are existing multilateral mechanisms sufficient? Are new mechanisms needed for technology transfer? If so, what are appropriate mechanisms for the transfer of technologies among Parties in pursuance of Article 4.5 of the Convention?
Collaborate with relevant multilateral institutions to promote technology transfer.	What should be the objective of collaboration with relevant multilateral institutions to promote technology transfer and what practical steps should be taken?
Promote and facilitate, in collaboration with the financial mechanism and multilateral and bilateral institutions, the arrangement of financing of technology transfer.	What additional guidance should be given to the financial mechanism?
Promote and assist developing country Parties to access technology information.	What sort of information is needed and how can this best be done?
Facilitate access to emerging technologies.	How could access to emerging technologies be facilitated?
Facilitate the appropriate role of the private sector.	What role is the private sector playing in technology transfer? What additional role can the private sector play ? What barriers prevent their greater participation?
Support for the development and enhancement of endogenous capacities and technologies of developing country Parties	
Provide technical advice on technology transfer to Parties, particularly developing country Parties.	What technical advice on technology transfer is needed? How should such advice be provided?

Issues	Questions
Promote capacity-building in developing country Parties through provision of concrete programmes.	What areas should be the focus of capacity- building and how should it be undertaken, e.g. what kinds of activities, programmes and institutional arrangements?
Assist developing country Parties, on request, to assess required technologies.	How, to whom and in what format should developing country Parties make their request for assistance to assess required technologies?
Promote and enhance access to relevant technical, legal and economic information at national and regional centres.	What technical, legal and economic information is needed ? What practical steps should be taken to promote and enhance access to such information by national and regional centres?
Develop a consensus on practical next steps to improve existing technology centres and networks in order to accelerate the diffusion of clean technologies in non-Annex I Party markets.	What type of process is needed to develop a consensus on practical next steps to improve existing technology centres and networks in order to accelerate the diffusion of clean technologies in non-Annex I Party markets. What type of arrangement is needed to monitor progress?
Promote an enabling environment for private sector participation.	What measures, programmes and activities can best help to create an appropriate enabling environment for private sector investment ?
Assistance in facilitating the transfer of environmentally sound technologies and know-how	
Oversee the exchange of information among Parties and other interested organizations on innovative technology cooperation approaches, and the assessment and synthesis of such information.	How should the Convention oversee the exchange of information among Parties and other interested organizations on innovative technology cooperation approaches, and the assessment and synthesis of such information?
Consider information on innovative technology cooperation approaches and develop recommendations to the Conference of the Parties which could be recognized more formally and widely implemented under the Convention.	How should information be compiled and synthesized on innovative technology cooperation approaches? When should recommendations on such approaches be forwarded to the Conference of the Parties?
Identify projects and programmes on technology cooperation, which can serve as models for improving the diffusion and implementation of clean technologies internationally under the Convention, and to provide information on these projects to the Convention secretariat.	How and when should information on projects and programmes of technology cooperation which Parties believe can serve as models for improving the diffusion and implementation of clean technologies internationally under the Convention be provided to the secretariat? How could information on such model programmes be evaluated?
Other questions	
Can specific technology transfer goals be set? Can we develop indicators and accounting systems to track progress on technology transfer? Are particular institutional arrangements needed to monitor progress?	

Decision 5/CP.4

Implementation of Article 4.8 and 4.9 of the Convention (decision 3/CP.3 and Articles 2.3 and 3.14 of the Kyoto Protocol)

The Conference of the Parties,

Recalling its decision 3/CP.3 on implementation of Article 4, paragraphs 8 and 9, of the United Nations Framework Convention on Climate Change,

Recalling also the provisions of Article 4.8 and 4.9 of the Convention,

Noting the provisions of Article 2.3 and Article 3.14 of the Kyoto Protocol to the Convention,

Recognizing that, in the implementation of the commitments in Article 4 of the Convention, the Parties shall give full consideration to what actions are necessary under the Convention, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns of developing country Parties arising from the adverse effects of climate change and/or the impact of the implementation of response measures,

Noting the provision under Article 12.8 of the Kyoto Protocol,

Recognizing the concern for sustainable development of the countries referred to in Article 4.8 and 4.9 of the Convention,

Welcoming the relevant work of the Intergovernmental Panel on Climate Change (IPCC), in particular its First and Second Assessment Reports, its recent Special Report on the Regional Impacts of Climate Change and its forthcoming Third Assessmen: Report, which will *inter alia* address issues relevant to Article 4.8 and 4.9 of the Convention,

Noting, however, that considerable uncertainties still persist with regard to the assessment of the adverse effects of climate change, particularly at the regional, sub-regional and national levels, and that in this context information gaps need to be filled, using in particular information contained in national communications from Parties included in Annex I to the Convention (Annex I Parties) and Parties not included in Annex I to the Convention (non-Annex I Parties),

Noting also that there is not enough information available on the adverse effects of climate change and the impact of the implementation of response measures, and that in this context also information gaps need to be filled, using in particular information contained in national communications from Annex I Parties and non-Annex I Parties,

1. *Decides* that the basic elements for further analysis should include the following:

(a) Identification of the adverse effects of climate change;

(b) Identification of the impacts of the implementation of response measures under the Convention;

(c) Identification of the specific needs and concerns of developing country Parties arising from such adverse effects and impacts defined through *inter alia* the national communications from non-Annex I Parties;

(d) Identification and consideration of actions, including actions related to funding, insurance and the transfer of technology, to meet the specific needs and concerns referred to in subparagraph (c) above;

2. *Requests* the Subsidiary Body for Scientific and Technological Advice (SBSTA) to initiate a process of compilation and analysis of available information, which is needed to elaborate any actions necessary to implement Article 4.8 and 4.9 of the Convention;

3. *Further requests* the SBSTA to take into account information needs arising from the basic elements mentioned in paragraph 1 above, as well as the programme of work set out in the annex to this decision, in revising the guidelines for the preparation of national communications by Annex I Parties and non-Annex I Parties;

4. *Requests* the Subsidiary Body for Implementation (SBI) and the SBSTA to continue consideration of the implementation of Article 4.8 and 4.9 of the Convention at their tenth and eleventh sessions and to report thereon to the Conference of the Parties at its fifth session;

5. *Invites* the IPCC to provide, in its Third Assessment Report, a further scientific and technical assessment on matters related to Article 4.8 and 4.9 of the Convention;

6. *Decides* to adopt and implement the programme of work set out in the annex to this decision.

8th plenary meeting
14 November 1998

Annex
PROGRAMME OF WORK

ITEM	ACTION	OBJECTIVE	RESPONSIBILITY	DEADLINE
1	Submission of views on the issues to be discussed in the expert workshop	Identify factors that will help determine the adverse effects of climate change and/or the impact of implementation of response measures, the information available, existing information gaps and further information needed as well as views on methodologies, taking into account *inter alia* submissions already made to the COP and the subsidiary bodies on the implementation of Article 4.8 and 4.9 of the Convention	All Parties	End of April 1999
2	Consideration of the secretariat's compilation of national submissions	Define the expert workshop terms of reference	SBI 10, SBSTA 10	June 1999
3	Organization of the expert workshop, including budgetary issues	Produce input for SBSTA 11 and SBI 11	Chairman of SBSTA, with the assistance of the secretariat	September 1999
4	Further discussion on the implementation of Article 4.8 and 4.9 of the Convention considering the outcome of the workshop	Prepare report including conclusions and/or draft decision for COP 5	SBI 11, SBSTA 11	October/ November 1999
5	Identification of initial actions to address the implementation of Article 4.8 and 4.9 of the Convention, as well as Articles 2.3 and 3.14 of the Kyoto Protocol	Identify initial actions, including initial input for COP/MOP 1, in accordance with Articles 2.3 and 3.14 of the Kyoto Protocol	COP 5	October/ November 1999
6	Identification of any additional actions needed to address the implementation of Article 4.8 and 4.9 of the Convention, as well as Articles 2.3 and 3.14 of the Kyoto Protocol	Take a decision on any further actions	COP 6	November/ December 2000

Decision 6/CP.4

Activities implemented jointly under the pilot phase

The Conference of the Parties,

Recalling its decision 5/CP.1,

Noting its decision 7/CP.4 on the work programme on mechanisms of the Kyoto Protocol to the United Nations Framework Convention on Climate Change,

Taking note of the second synthesis report[1] and the update[2] on activities implemented jointly under the pilot phase prepared by the secretariat, and of the views expressed by Parties,[3]

Recognizing the need to address the issues identified in the second synthesis report, particularly in its main conclusions (chapter II),

1. *Decides* to continue the pilot phase, recognizing that such continuation should provide developing country Parties, in particular the least developed and small island developing States amongst them, as well as Parties with economies in transition, with the opportunity to enhance their capacity-building, and all Parties with the opportunity to gain further experience with activities implemented jointly;

2. *Invites* Parties to continue to submit new reports or updates on activities implemented jointly under the pilot phase, endorsed by designated national authorities for activities implemented jointly, using the uniform reporting format adopted by its decision 10/CP.3. The deadline for submission of reports to be considered in the third synthesis report is 8 June 1999;

3. *Reiterates* the invitation to Parties contained in decision 10/CP.3 to provide inputs to the secretariat on their experience in using the uniform reporting format. The deadline for submission of these inputs to be considered by the Subsidiary Body for Scientific and Technological Advice at its tenth session is 12 February 1999;

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1 FCCC/CP/1998/2.

2 FCCC/CP/1998/INF.3.

3 FCCC/CP/1998/MISC.7 and Add. 1-4.

4. *Decides* to begin preparations for a review process of the pilot phase and *requests* the subsidiary bodies to address the process at their tenth sessions, with a view to the Conference of the Parties taking a conclusive decision on the pilot phase, and the progression beyond that, no later than the end of the present decade;

5. *Invites* Parties to submit to the secretariat their views on the process and information on experience gained and lessons learned with activities implemented jointly under the pilot phase, in order to facilitate the review process referred to in paragraph 4 above. The deadline for such submissions, to be considered by the Subsidiary Body for Scientific and Technological Advice at its tenth session, is 12 February 1999.

8th plenary meeting
14 November 1998

Decision 7/CP.4

Work programme on mechanisms of the Kyoto Protocol

The Conference of the Parties,

Being guided by Article 3 of the United Nations Framework Convention on Climate Change,

Recalling Articles 6, 12 and 17 on mechanisms of the Kyoto Protocol to the Convention,

Recalling also Article 3 of the Kyoto Protocol,

Recalling its decision 1/CP.3, paragraphs 5 and 6,

Having considered views submitted by Parties related to matters contained in decision 1/CP.3, paragraph 5 (b), (c) and (e) and paragraph 6,[1]

1. *Decides* on the following work programme on mechanisms, including the list of elements in the annex to this decision, to be undertaken with priority given to the clean development mechanism, and with a view to taking decisions on all the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol at its sixth session, including, where appropriate, recommendations to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session on:

(a) Guidelines concerning provisions under Article 6 of the Kyoto Protocol;

(b) Modalities and procedures for a clean development mechanism as defined in Article 12 of the Kyoto Protocol, with the objective of ensuring transparency, efficiency and accountability through independent auditing and verification of project activities, and including implications of Article 12.10 of the Kyoto Protocol;

(c) Relevant principles, modalities, rules and guidelines, in particular for verification, reporting and accountability of emissions trading, pursuant to Article 17 of the Kyoto Protocol;

2. *Invites* Parties to submit further proposals on principles, modalities, rules and guidelines for the mechanisms under Articles 6, 12 and 17 of the Kyoto Protocol by the end of February 1999 as an input to technical workshops, and additional proposals, by 31 March 1999,

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[1] FCCC/CP/1998/MISC.7 and Add. 1-4; and FCCC/SB/1998/MISC.1 and Add.1/Rev.1, Add.2, Add.3/Rev.1 and Add. 4-6.

for compilation by the secretariat as a miscellaneous document for the subsidiary bodies at their tenth sessions;

3. *Requests* the secretariat, under the guidance of the Chairmen of the subsidiary bodies, to convene two technical workshops before 15 April 1999, based on inputs by Parties and drawing upon relevant contributions from United Nations agencies and intergovernmental and non-governmental organizations, in a manner that promotes coordination and cooperation and the effective use of scarce resources;

4. *Requests* the secretariat to prepare, for consideration by the subsidiary bodies at their tenth sessions, a plan for facilitating capacity-building in developing country Parties, especially the small island States and the least developed amongst them, for project activities under the clean development mechanism, and for facilitating the participation of Parties with economies in transition in the other mechanisms;

5. *Requests* the Chairmen of the subsidiary bodies, supported by the secretariat, to produce, based on submissions by Parties and bearing in mind linkages among the provisions relating to the mechanisms and other issues related to the Kyoto Protocol, a synthesis of proposals by Parties on matters addressed in paragraph 1 above for initial consideration by the subsidiary bodies at their tenth sessions.

8th plenary meeting
14 November 1998

Annex

Work programme on mechanisms of the Kyoto Protocol: list of elements[a]

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	General	SBSTA /SBI
	(1) Application of relevant principles (2) Nature and scope of the mechanisms (3) Equity and transparency (4) Supplementarity (5) Climate change effectiveness (6) Institutional framework (7) Capacity-building (8) Adaptation (9) Compliance (10) Linkages (11) Inapplicability of Article 4.8 and 4.9 of the Convention and/or Article 2.3 and 3.14 of the Kyoto Protocol to the mechanisms[b] (12) Dependence of the ambitious environmental targets of the Kyoto Protocol upon availability of mechanisms (13) Importance of prompt decisions on workable mechanisms for ratification/entry into force (14) Principle of cost-effectiveness (15) Role of mechanisms in promoting compliance (16) Comparable treatment among Parties included in Annex B to the Kyoto Protocol, whether using Articles 6, 12, 17 or other means to achieve their Article 3 commitments (17) Maximizing the environmental benefits of mechanisms by assuring the lowest possible cost structures	

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[a] The existence of elements in this list is without prejudice to inclusion of these items in the rules, modalities and guidelines developed for these mechanisms. Additional items can be added to this list.

[b] Unless otherwise specified, all references to Articles in this annex are to Articles of the Kyoto Protocol.

Provisions in the Kyoto Protocol	Elements	Subsi-diary bodies
	(18) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization (19) Supplementarity (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria) (20) Linkages, inter alia interchangeability (21) Prerequisites for the use of the mechanisms (compliance, linkage with Articles 5, 7, 8) (22) Articles 2.3 and 3.14	
	Article 12 - Clean development mechanism (CDM)	
	Basic	SBSTA /SBI
12.2	(1) Purpose of CDM projects	
3, 12.2	(2) The "part of" commitments under Article 3	
12.2	(3) Compatibility with sustainable development priorities/strategies	
12.2	(4) Special needs of least developed countries	
12.2	(5) Criteria for project eligibility	
12.8	(6) Adaptation	
12.2, 12.7	(7) Transparency, non-discrimination, prevention of distortion of competition (8) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization (9) Supplementarity to domestic actions for achieving compliance with reduction commitments under Article 3 (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria) (10) Prerequisites for the use of the CDM (compliance, linkage with Articles 5, 7, 8)	

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	Methodological and technical	SBSTA
12.3 (b)	(11) "Part of " Annex I commitments	
12.5 (c)	(12) Additionality criteria in project funding	
	(13) Should there be any distinction between public/private funding?	
12.5 (b)	(14) Criteria for real, measurable and long-term benefits related to climate change	
12.5	(15) Criteria for certification	
12.5 (c)	(16) Criteria for project baseline	
12.3(a), 12.9	(17) Definition of the concept of certified emission reductions	
12.7	(18) Systems for independent auditing and verification of project activities	
12.5, 12.7	(19) Format for reporting	
12.10	(20) Implication of Article 12.10, including implications for a possible interim phase approach to the CDM and of the activities implemented jointly (AIJ) under the pilot phase	
3.3 & 3.4	(21) Outcome of methodological work on Articles 3.3 and 3.4	
	(22) Environmental additionality and baselines	
	(23) Categorization of projects	
	(24) Criteria for sustainable development	
	(25) Determination of additionality of emissions reductions/removals	
	(26) Tracking of certified emission reductions	
	(27) Fungibility among mechanisms	
	(28) Compliance-related issues	
	(29) Inclusion of sinks projects; all six greenhouse gases specified in the Kyoto Protocol	
	Process	SBI
3, 12, 12.9, 12.10	(30) Acquisition and transfer of certified emission reduction units	
12.8	(31) Determination of share of proceeds for adaptation	
12.8	(32) Determination of share of proceeds for administration	

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
12.6	(33) Criteria and procedures for arranging funding for certified project activities	
12.8	(34) Criteria and procedures for assisting developing country Parties that are particularly vulnerable to meet adaptation costs	
12.2	(35) Approval by involved Parties of sustainable development	
	(36) Approval by involved Parties of project	
	(37) Certification of project activities and reductions	
	(38) Reporting	
	(39) Auditing and verification	
	(40) Eligibility of AIJ projects under the CDM beginning in 2000	
	(41) Credit (starting from 2000) for qualifying projects begun before CDM rules become effective	
	(42) Implications for benefits from CDM in considering whether to elaborate 'part of' in Article 12.3 (b)	
	Institutional	SBI
12.4	(43) Authority and guidance of the Conference of the Parties	
12.4	(44) Accountability of the executive board to the Conference of the Parties serving as the meeting of the Parties to the Protocol	
12.4, 12.5, 12.6, 12.7, 12.8, 12.9	(45) Functions of, relationship among and operational procedures of the Conference of the Parties, Conference of the Parties serving as the meeting of the Parties to the Protocol, the executive board and operational entities	
12.4, 12.7	(46) Executive board - constitution, composition, and functions - membership and rules of procedure, provisions for institutional and administrative support	
12.9	(47) Guidance regarding involvement of public and/or private entities	
12.5, 12.7	(48) Operational entities - identification/designation/accreditation; monitoring/auditing of operational entities	
12.2	(49) Responsibility of Parties	
	(50) Overall institutional framework	

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	Article 6 - Projects	
	Basic	SBSTA /SBI
6.1	(1) Criteria for Article 6 projects	
6.1(d)	(2) "Supplemental to domestic actions"	
6.1	(3) Transparency	
	(4) Implications of the AIJ pilot phase	
	(5) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization	
	(6) Supplementarity to domestic actions (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria)	
	(7) Prerequisites for the use of Article 6 (compliance, linkage with Articles 5, 7 and 8)	
	(8) Lack of authority to elaborate "supplemental to domestic actions"; inadvisability of doing so	
	(9) Lack of authority to impose a charge for adaptation	
	Methodological and technical	SBSTA
6.1	(10) Criteria for project baselines	
6.1(b)	(11) Assessment of additionality	
6.2	(12) Verification and reporting	
8.4	(13) Guidelines for review of implementation of Article 6 by expert review teams	
6.2	(14) Guidelines for monitoring, reporting, verification	
3.3, 3.4	(15) Outcome of methodological work on Articles 3.3 and 3.4	
	(16) Categorization of projects	
	(17) Real, measurable and long-term environmental benefits	
	(18) Independent certification and verification	
	(19) Is further elaboration of guidelines necessary?	
	(20) Fungibility among mechanisms	

Provisions in the Kyoto Protocol	Elements	Subsidiary bodies
	(21) Other compliance-related issues	
	(22) How to assess project additionality/baselines	
	(23) Tracking of emission reduction units	
	Process	SBI
6.1(a)	(24) Process for approval by Parties involved in projects	
6.1(c), 3.10, 3.11, 6.3, 6.4	(25) Acquisition and transfer of emission reduction units	
6.3	(26) Authorization of legal entities	
8.4	(27) Process for reviewing Article 6 according to Article 8.4	
6.4, 16, 18	(28) Consequences of non-compliance	
6.1	(29) Process for assessing compliance with Articles 5 and 7	
	(30) Independent certification and verification	
	(31) Certification of emission reductions	
	(32) Monitoring	
	(33) Reporting	
	(34) Eligibility of AIJ projects under Article 6	
	(35) Starting date for Article 6 projects	
	Institutional	SBI
6.2	(36) Role of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation	
6.2	(37) Elaboration of guidelines as per Article 6.2	
6.3.	(38) Involvement of legal entities	

Provisions in the Kyoto Protocol	Elements	Subsi-diary bodies
	Article 17 - Emissions trading between Parties included in Annex B to the Kyoto Protocol	SBSTA /SBI
17	(1) Basis of rights and entitlements for emissions trading of Parties included in Annex B	
3, 17	(2) "Supplemental to domestic actions"	
17, Convention	(3) Conformity with the principle of equity in the Convention	
3, 17	(4) Real and verifiable reduction of greenhouse gas emissions	
17	(5) Elaboration of principles, modalities, rules and guidelines	
17	(6) Matters relating to verification, reporting and accountability	
	(7) Application of any quantification of "supplemental to domestic actions" to each individual State within a regional economic integration organization	
	(8) Supplementarity to domestic actions for the purpose of meeting commitments under Article 3 (concrete ceiling defined in quantitative and qualitative terms based on equitable criteria)	
	(9) Prerequisites for the use of Article 17 (compliance, linkage with Articles 5, 7 and 8)	
	(10) Participation by legal entities	
	(11) "Hot air "	
	(12) Transparency	
	(13) Accessibility	
	(14) Non-discrimination	
	(15) Non-distortion of competition	
	(16) Liability	
	(17) Reporting and tracking of trades	
	(18) Interchangeability	
	(19) Definition of tradeable unit	
	(20) Determination and creation of rights and entitlements for emissions trading of Parties included in Annex B	
	(21) Elements of principles, modalities, rules and guidelines for emissions trading	

Provisions in the Kyoto Protocol	Elements	Subsi-diary bodies
	(22) Assigned amounts as basis for emissions trading (23) Tracking transfers and acquisitions in assigned amounts (24) Reporting on transfers and acquisitions in assigned amounts (25) National registries (26) Compliance-related issues (27) Eligibility (e.g. links to Articles 5 and 7) (28) Legal entities (29) Lack of authority to elaborate "supplemental to domestic actions"; inadvisability of doing so (30) Fungibility among mechanisms (31) Competitiveness issues (32) Lack of authority to impose a charge for adaptation	

Decision 8/CP.4

Preparations for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol: matters related to decision 1/CP.3, paragraph 6

The Conference of the Parties,

Recalling its decision 1/CP.3 on the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular paragraph 6 of that decision on the allocation of preparatory work for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Further recalling the functions and terms of reference of the Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation, as contained in Articles 9 and 10 of the Convention and as elaborated by its decisions 6/CP.1 and 13/CP.3, and *noting* Article 15 of the Kyoto Protocol,

Having considered the proposal by the Chairmen of the subsidiary bodies on the allocation to those bodies of preparatory work for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,[1]

Recognizing the need to maximize efficiency in the work of the subsidiary bodies and to avoid duplication and overlap,

Taking into account decisions[2] taken at its fourth session related to issues addressed in annexes I and II to this decision,

Decides:

(a) That the preparatory work for the first session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol shall be allocated to the subsidiary bodies as shown in annex I to this decision;

(b) That this work shall be carried out according to the initial list of work set out in annex II to this decision;

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[1] FCCC/CP/1998/3.

[2] Decisions 5/CP.4, 7/CP.4, 9/CP.4, 10/CP.4 and 11/CP.4.

(c) To invite the subsidiary bodies to report on these matters to the Conference of the Parties at its fifth session.

8th plenary meeting
14 November 1998

Annex I

ALLOCATION OF PREPARATORY WORK FOR THE CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL AT ITS FIRST SESSION

Task	Allocation
Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session	
Actions relating to Article 3.14[a]	See decision 5/CP.4
Guidelines for national systems under Article 5.1 and methodologies for the application of adjustments under Article 5.2	SBSTA
Guidelines for the preparation of information under Article 7, with respect to both annual inventories and national communications from Annex I Parties	SBSTA, in cooperation with SBI
Guidelines for the review of implementation by expert review teams under Article 8	SBI, in cooperation with SBSTA
Modalities and procedures relating to the clean development mechanism under Article 12	See decision 7/CP.4[b]
Procedures and mechanisms relating to compliance	Joint working group on compliance under SBI and SBSTA

[a] Unless otherwise stated, references to Articles in annexes I and II to this decision are to Articles of the Kyoto Protocol.

[b] This decision also covers other mechanisms under the Kyoto Protocol.

Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session or as soon as practicable thereafter	
Consideration of ways to facilitate cooperation to enhance the individual and combined effectiveness of policies and measures under Article 2.1(b)	SBSTA
Modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in GHG emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories might be included under Article 3.4[c]	SBSTA
Possible further elaboration of guidelines for the implementation of Article 6	See decision 7/CP.4[d]
Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol prior to the first commitment period	
Modalities for the accounting of assigned amounts under Article 7.4	SBSTA
Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol as soon as practicable	
Consideration of the application to the Protocol and modification, as appropriate, of the multilateral consultative process referred to in Article 13 of the Convention.	To be considered upon the establishment of the multilateral consultative process referred to in Article 13 of the Convention.

[c] See also decision 9/CP.4, paragraph 3, relating to Article 3.3 of the Kyoto Protocol.

[d] This decision also covers other mechanisms under the Kyoto Protocol.

Annex II

INITIAL LIST OF WORK FOR THE CONFERENCE OF THE PARTIES SERVING AS THE MEETING OF THE PARTIES TO THE KYOTO PROTOCOL AT ITS FIRST SESSION

Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session
Actions relating to Article 3.14
• See decision 5/CP.4
Guidelines for national systems under Article 5.1 and methodologies for the application of adjustments under Article 5.2
• Work programme on methodological issues related to Article 5 referred to in FCCC/SBSTA/1998/9, para. 51(h), with a view to completion by COP 6
Guidelines for the preparation of information under Article 7, with respect to both annual inventories and national communications from Annex I Parties
• Work programme on issues related to Article 7.1 referred to in FCCC/SBSTA/1998/9, para. 51(h); decision 11/CP.4 and FCCC/SBI/1998/7, para. 20, with a view to completion by COP 6 • Work programme on issues related to Article 7.2 referred to in FCCC/SBSTA/1998/9, para. 51(h); decision 11/CP.4 and FCCC/SBI/1998/7, para. 20, with a view to completion by COP 6
Guidelines for the review of implementation by expert review teams under Article 8
• Work programme on issues related to Article 8 referred to in FCCC/SBSTA/1998/9, para. 51(h); decision 11/CP.4 and FCCC/SBI/1998/7, para. 20, with a view to completion by COP 6

Modalities and procedures relating to the clean development mechanism under Article 12
• See decision 7/CP.4[e]
Procedures and mechanisms relating to compliance
• Invitation to Parties to submit views to the secretariat on matters relating to compliance under the Kyoto Protocol by 1 March 1999, to be made available by the secretariat in a miscellaneous document • Request to the secretariat to facilitate a one-day consultation among Parties[f] on matters related to compliance under the Kyoto Protocol immediately prior to the tenth session of the subsidiary bodies • Establishment of a joint working group on compliance under the SBI and the SBSTA to: – Identify compliance-related elements in the Kyoto Protocol – Follow the development of these elements in various groups including, for example, elements on substantive rules and consequences of non-compliance, and identify gaps in order that they are addressed in the suitable forum – Develop procedures by which compliance with obligations under the Kyoto Protocol should be addressed, to the extent that they are not being considered by other groups – Ensure coherent approaches to developing a comprehensive compliance system • Request to the joint working group on compliance, through the SBI and the SBSTA, to report on progress to COP 5 • Request to the COP 5 to take further steps including, if necessary, the establishment of an ad hoc working group on compliance or other procedure, with a view to adopting a decision at COP 6

[e] This decision also covers other mechanisms under the Kyoto Protocol.

[f] Open to observers under rules 6 and 7 of the draft rules of procedure, as applied (see FCCC/CP/1996/2).

Tasks assigned to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session or as soon as practicable thereafter
Consideration of ways to facilitate cooperation to enhance the individual and combined effectiveness of policies and measures under Article 2.1(b)
• Request to the secretariat to: – Prepare a report on "best practices" in policies and measures for consideration by SBSTA 11, based on Annex I Party national communications and their reviews and additional information submitted by Parties by 15 August 1999, as well as any other relevant information, with a view to strengthening the sharing of experience and exchange of information – Organize a workshop to assess "best practices" in policies and measures on the basis of the conclusions of SBSTA 11, and report the results to COP 6
Modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in GHG emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories might be included under Article 3.4[g]
• Work programme as set forth in decision 9/CP.4, in accordance with the time-frames set out in that decision
Possible further elaboration of guidelines for the implementation of Article 6
• See decision 7/CP.4[h]

[g] See also decision 9/CP.4, paragraph 3, relating to Article 3.3 of the Kyoto Protocol.

[h] This decision also covers other mechanisms under the Kyoto Protocol.

Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol prior to the first commitment period
Modalities for the accounting of assigned amounts under Article 7.4
• Work programme on methodological issues related to Article 7 referred to in FCCC/SBSTA/1998/9, para. 55(h), with a view to completion by COP 6, or as soon as practicable
Tasks to be accomplished by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol as soon as practicable
Consideration of the application to the Protocol, and modification as appropriate, of the multilateral consultative process referred to in Article 13 of the Convention
To be considered upon the establishment of the multilateral consultative process referred to in Article 13 of the Convention

Decision 9/CP.4

Land-use, land-use change and forestry

The Conference of the Parties,

Recalling decision 1/CP.3 on the adoption of the Kyoto Protocol to the United Nations Framework Convention on Climate Change, in particular its paragraph 5(a),

Noting the conclusions on land-use, land-use change and forestry adopted by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its eighth session,

Noting also with appreciation the decision of the Intergovernmental Panel on Climate Change (IPCC) to prepare a special report on land-use, land-use change and forestry,

Having considered the report[1] prepared by the secretariat on a SBSTA workshop on data availability based on definitions used by Parties and international organizations in relation to Article 3.3 of the Kyoto Protocol, which was held coincident with an IPCC expert meeting from 24 to 25 September 1998, and the submissions by Parties on land-use, land-use change and forestry,[2]

1. *Decides* to confirm the understanding expressed in the conclusions of the SBSTA at its eighth session that the meaning of Article 3.3 of the Kyoto Protocol is as follows: the adjustment to a Party's assigned amount shall be equal to verifiable changes in carbon stocks during the period 2008 to 2012 resulting from direct human-induced activities of afforestation, reforestation and deforestation since 1 January 1990. Where the result of this calculation is a net sink, this value shall be added to the Party's assigned amount. Where the result of this calculation is a net emission, this value shall be subtracted from the Party's assigned amount;

2. *Decides* to endorse the other relevant conclusions on land-use, land-use change and forestry made by the SBSTA at its eighth session;

3. *Decides* to recommend, at its first session following the completion of the IPCC special report and its consideration by the SBSTA, a draft decision, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, on definitions related to activities under Article 3.3 of the Kyoto Protocol;

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[1] FCCC/CP/1998/INF.4.

[2] FCCC/CP/1998/MISC.1 and Add.1-2, and FCCC/CP/1998/MISC.9 and Add.1-2.

4. *Decides* to recommend, at its first session following the completion of the IPCC special report and its consideration by the SBSTA, a draft decision, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, on modalities, rules and guidelines as to how, and which, additional human-induced activities related to changes in greenhouse gas emissions by sources and removals by sinks in the agricultural soils and the land-use change and forestry categories might be included under Article 3.4 of the Kyoto Protocol;

5. *Further decides* to recommend, at the first session practicable following the completion of the IPCC special report and its consideration by the SBSTA, a draft decision, for adoption by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol at its first session, on guidelines for necessary supplementary information with respect to annual greenhouse gas inventories under the provisions of Article 7.1 and 7.4 of the Kyoto Protocol for reporting required in connection with Article 3.3 and 3.4 of the Kyoto Protocol;

6. *Requests* the SBSTA to consider, at its tenth session, the requirements necessary to fulfil the provisions of the first sentence of Article 3.4 of the Kyoto Protocol, and *invites* Parties to provide submissions on such requirements to the secretariat by 1 March 1999;

7. *Affirms* the importance of broad participation by Parties, particularly developing country Parties, in the work of the SBSTA on land-use, land-use change and forestry;

8. *Requests* the secretariat to compile, for consideration by the SBSTA at its tenth session, a list of policy and procedural issues associated with Article 3.3 and 3.4 of the Kyoto Protocol, based on existing submissions by Parties and any further submissions by Parties, and *invites* Parties to provide submissions on these issues to the secretariat by 1 March 1999;

9. *Also requests* the SBSTA, at its tenth session, to give further consideration to planning its work on land-use, land-use change and forestry;

10. *Invites* the IPCC to continue to provide the SBSTA with progress reports on its activities related to land-use, land-use change and forestry.

5th plenary meeting
11 November 1998

Decision 10/CP.4

Multilateral consultative process

The Conference of the Parties,

Recalling Article 13 of the United Nations Framework Convention on Climate Change,

Recalling also its decisions 20/CP.1, 4/CP.2 and 14/CP.3,

Recognizing with appreciation the work done by the Ad Hoc Group on Article 13 on the issues relating to the establishment of a multila ral consultative process and its design,

Noting that the Ad Hoc Group has completed the task assigned to it in decision 20/CP.1,

Having considered the final report of the Ad Hoc Group on its sixth session,[1]

Decides:

(a) To approve the text of the multilateral consultative process prepared by the Ad Hoc Group on Article 13 and set out in the annex to this decision, with the exception of the issues in square brackets in paragraphs 8 and 9 thereof;

(b) To review those issues at the fifth session of the Conference of the Parties, with a view, when those issues have been resolved, to adopting a multilateral consultative process, to establishing the Multilateral Consultative Committee referred to therein, and to bringing the process into operation;

(c) To invite the President of the Conference of the Parties to conduct consultations on those issues during the inter-sessional period with the aim of identifying solutions thereto.

3rd plenary meeting
6 November 1998

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[1] FCCC/AG13/1998/2.

Annex

MULTILATERAL CONSULTATIVE PROCESS

TERMS OF REFERENCE

Establishment

1. Pursuant to Article 13 of the United Nations Framework Convention on Climate Change, the Conference of the Parties hereby establishes a multilateral consultative process ("the process") in the form of a set of procedures to be served by a standing Multilateral Consultative Committee ("the Committee").

Objective

2. The objective of the process is to resolve questions regarding the implementation of the Convention, by:

(a) Providing advice on assistance to Parties to overcome difficulties encountered in their implementation of the Convention;

(b) Promoting understanding of the Convention;

(c) Preventing disputes from arising.

Nature

3. The process shall be conducted in a facilitative, cooperative, non-confrontational, transparent and timely manner, and be non-judicial. Parties concerned shall be entitled to participate fully in the process.

4. The process shall be separate from, and without prejudice to, the provisions of Article 14 of the Convention (Settlement of Disputes).

How issues would be taken up

5. Questions regarding the implementation of the Convention may be raised, with supporting information, by:

(a) A Party with respect to its own implementation;

(b) A group of Parties with respect to their own implementation;

(c) A Party or a group of Parties with respect to the implementation by another Party or group of Parties;

(d) The Conference of the Parties.

Mandate of the Committee

6. The Committee shall, upon a request received in accordance with paragraph 5, consider questions regarding the implementation of the Convention in consultation with the Party or Parties concerned and, in light of the nature of the question, provide the appropriate assistance in relation to difficulties encountered in the course of implementation, by:

(a) Clarifying and resolving questions;

(b) Providing advice and recommendations on the procurement of technical and financial resources for the resolution of these difficulties;

(c) Providing advice on the compilation and communication of information.

7. The Committee shall not duplicate activities performed by other Convention bodies.

Constitution

8. The Committee shall consist of [10] [15] [25] members. It shall be composed of persons nominated by Parties who are experts in relevant fields, such as those of science, socio-economics and the environment. The Committee may draw upon such outside expertise as it deems necessary.

9. [The members of the Committee shall be designated by the Conference of the Parties for three years, based on equitable geographical distribution[a] and the principle of rotation [with one

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[a] The Group of 77 and China stated that they uphold the principle of "equitable geographical distribution" which is a well-established practice within the United Nations and strongly objected to the placement of the phrase "equitable geographical distribution" in square brackets by some Parties.

half to be designated by Annex I Parties and one half to be designated by non-Annex I Parties][b]. Outgoing members may be re-appointed for one immediate consecutive term. The Chairmen of the subsidiary bodies of the Convention may participate in the meetings of the Committee as observers.]

Deliberations

10. The Committee shall meet at least once a year. Meetings of the Committee shall, whenever practicable, take place in conjunction with sessions of the Conference of the Parties or its subsidiary bodies.

11. The Committee shall report to each ordinary session of the Conference of the Parties on all aspects of its work, with a view to the Conference of the Parties taking whatever decisions it considers necessary.

Outcome

12. The conclusions and any recommendations of the Committee shall be sent to the Party or Parties concerned for its, or their, consideration. Such conclusions and recommendations shall be consistent with the mandate as described in paragraph 6 above. They may include:

(a) Recommendations regarding cooperation between the Party or Parties concerned and other Parties to further the objective of the Convention; and

(b) Measures that the Committee deems suitable to be taken by the Party or Parties concerned for the effective implementation of the Convention.

13. The Party or Parties concerned shall be given the opportunity to comment on the conclusions and recommendations. The Committee shall, in addition, forward its conclusions and recommendations and any written comments of the Party or Parties concerned to the Conference of the Parties in due time before its ordinary sessions.

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[b] Some Parties stated that the phrase "equitable geographical distribution" was not acceptable and that the following language should be inserted after the word "rotation":

with one half to be designated by Annex I Parties and one half to be designated by non-Annex I Parties.

These Parties also noted their view that "equitable geographical distribution" was not a well-established practice and was not applicable in this context.

Evolution

14. These terms of reference may be amended by the Conference of the Parties to take account of any amendment to the Convention, decisions of the Conference of the Parties or experience gained with the working of the process.

Decision 11/CP.4

National communications from Parties included in Annex I to the Convention

The Conference of the Parties,

Recalling the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4, 5, 6, 7.2 and 9.2(b) and Articles 10.2, 11 and 12 thereof,

Recalling its decisions 9/CP.2 and 6/CP.3 on communications from Parties included in Annex I to the Convention (Annex I Parties), and decision 4/CP.3, which amended the list in Annex I to the Convention,

Having considered the relevant recommendations of the Subsidiary Body for Implementation,

Noting with appreciation the second compilation and synthesis of second national communications from Annex I Parties,[1] prepared by the secretariat pursuant to decision 6/CP.3, paragraph 2(a), and the summary compilation of annual greenhouse gas inventory data from Annex I Parties,[2]

1. *Decides* that those Parties included in Annex I to the Convention by decision 4/CP.3 which have not submitted a first national communication should do so no later than six months after the entry into force of the amendment to Annex I, namely by 13 February 1999, or as soon as possible thereafter;

2. *Requests* Annex I Parties to submit to the secretariat, in accordance with Article 12.1 and 12.2 of the Convention:

(a) A third national communication[3] by 30 November 2001 and subsequent national communications on a regular basis, at intervals of three to five years, to be decided at a future session. The Parties referred to in paragraph 1 above should submit their second and subsequent national communications by the same dates;

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[1] FCCC/CP/1998/11 and Add. 1-2.

[2] FCCC/CP/1998/INF.9.

[3] This term includes communications from the regional economic integration organization included in Annex I to the Convention.

(b) National inventory data on emissions of greenhouse gases by sources and removals by sinks on an annual basis by 15 April for the period up to the last but one year prior to the year of submission;

(c) Summary tables of national inventory data in electronic format and in hard copy. Additional and explanatory information should also, to the extent possible, be submitted in electronic format as well as hard copy;

3. *Requests* its subsidiary bodies to consider the scope, modalities and options for the review process, including the review of annual nventory information, and the need for more thorough consideration of national circumstances and reporting requirements under the Kyoto Protocol to the Convention, and to report, as appropriate, to the Conference of the Parties, at its fifth session, on any proposed changes, with a view to adopting revised guidelines for the review process at its sixth session;

4. *Decides* that each national communication referred to in paragraph 2(a) above should be subject to an in-depth review coordinated by the secretariat and in accordance with the revised guidelines;

5. *Requests* the secretariat to explore options for interim reporting by Parties on specific issues, including via on-line forms or tables, and for the analysis and publication of such reporting as interim compilation and synthesis reports by the secretariat;

6. *Urges* Annex I Parties that have not already done so to submit their second national communications, which were due by 15 April 1997 or 1998, as soon as possible,

7. *Urges* Annex I Parties that have not already done so to submit national inventory data, which were due by April 15 1998, as soon as possible,

8. *Concludes*, with respect to the reporting of information in national communications from Annex I Parties, that:

(a) Those Parties are fulfilling their Article 4.2(b) commitments to report detailed information on national policies and measures on the mitigation of climate change, as described in the compilation and synthesis of second national communications;

(b) Information contained in second national communications was generally of a higher quality than in the first national communications, thus providing a better basis for evaluating the scope and achievements of national climate change mitigation strategies;

(c) Further efforts are required to improve adherence to the relevant guidelines so as to ensure greater completeness, consistency and comparability of the data and information, including on the implementation of Article 4.3, 4.4 and 4.5 of the Convention;

9. *Concludes*, with respect to the reporting of information in national communications from Parties included in Annex II to the Convention (Annex II Parties), that those Parties are fulfilling their Article 12.3 commitments by reporting on their commitments regarding the transfer of technology and the provision of financial resources, as described in the second compilation and synthesis, but that most of them do not follow the tabular format requested by the revised guidelines annexed to decision 9/CP.2. In this regard, every effort should be made by Annex II Parties to use the tabular format;

10. *Concludes*, with respect to the implementation of the Convention by Annex I Parties, and recognizing the need to take further action to achieve the ultimate objective of the Convention, that:

(a) As described in the second compilation and synthesis report, Annex I Parties collectively had by 1995 reduced their greenhouse gas emissions from 1990 levels by about 4.6 per cent; aggregate greenhouse gas emissions by Annex I Parties are projected to be approximately 3 per cent below 1990 levels in the year 2000 and about 8 per cent above 1990 levels in the year 2010;

(b) As described in the second compilation and synthesis report, greenhouse gas emissions from Annex I Parties with economies in transition declined by 28 per cent, while Annex II Parties as a whole exhibited growing aggregate greenhouse gas emissions, with an increase of 3.5 per cent from 1990 to 1995;

(c) Annex I Parties are fulfilling their Article 4.2 commitments to implement national policies and measures to mitigate climate change but, according to available information in the second compilation and synthesis report, many Annex I Parties will not return greenhouse gas emissions to 1990 levels by the year 2000;

11. *Notes* that Annex II Parties are providing bilateral contributions and all Annex II Parties contribute to the Global Environment Facility, and that there is a need to address the concern expressed by some Parties that Annex II Parties are falling short of their commitments related to the transfer of technology and the provision of financial resources;

12. *Invites* the SBSTA to consider the means by which the reporting requirements under the guidelines for the preparation of national communications by Annex I Parties in relation to the transfer of technology and the provision of financial resources might better identify and reflect the range of actions being taken by Annex II Parties. In this context, additional guidance should be provided by the SBI with respect to information needs and reporting on technology transfer and financial assistance;

13. *Decides* that Slovenia, having invoked Article 4.6 of the Convention requesting flexibility to use a base year other than 1990, should be allowed to use 1986 as a base year.

8th plenary meeting
14 November 1998

Decision 12/CP.4

Initial national communications from Parties not included in Annex I to the Convention

The Conference of the Parties,

Recalling the relevant provisions of the United Nations Framework Convention on Climate Change, in particular Articles 4.1 and 10.2 (a) and Article 12.1, 12.4, 12.5,12.6 and 12.7 thereof,

Recalling also its decisions on first communications from Parties not included in Annex I to the Convention (non-Annex I Parties), in particular decisions 10/CP.2 and 11/CP.2,

Noting that, in accordance with Article 12.5 of the Convention, each non-Annex I Party shall make its initial communication within three years of entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3 of the Convention, and that Parties that are least developed may make their initial communications at their discretion,

Noting further the differentiated timetable for the submission of initial national communications from non-Annex I Parties,

Having considered that from its first session, in accordance with Article 12.7 of the Convention, the Conference of the Parties shall arrange for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under that Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4 of the Convention, and *having also considered* Article 12.4 of the Convention,

1. *Decides:*

(a) To consider the information communicated by non-Annex I Parties in assessing the overall aggregated effect of the steps taken by the Parties, pursuant to Article 10.2(a) of the Convention;

(b) That communications from non-Annex I Parties shall be considered in a facilitative, non-confrontational, open and transparent manner;

(c) That, pursuant to decision 10/CP.2, the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with Article 4.1 of the Convention and the provisions of Article 3 and Article 4.3, 4.4, 4.5, 4.7, 4.8,

4.9 and 4.10 of the Convention, be taken into account by the Conference of the Parties in considering matters related to their initial communications;

(d) To ensure that issues and concerns identified by non-Annex I Parties in their initial communications are brought to the attention of the Global Environment Facility (GEF) and, through it, as appropriate, its implementing agencies when undertaking the comprehensive review of enabling activities projects;

2. *Requests* the subsidiary bodies to consider issues raised in the first compilation and synthesis report of communications from non-Annex I Parties at their eleventh sessions under relevant items of their agendas;

3. *Requests* the Subsidiary Body for Implementation, at its eleventh session, to consider the information communicated by non-Annex I Parties in assessing the overall aggregated effect of the steps taken by Parties;

4. *Requests* the Subsidiary Body for Scientific and Technological Advice to prepare scientific assessments of the overall aggregated effects of measures taken, in accordance with Article 9.2 (b) of the Convention;

5. *Decides* to continue to address the consideration of communications from non-Annex I Parties at its fifth session, with a view to taking a further decision on this matter;

6. *Requests* Parties to submit their views to the secretariat by 31 March 1999 on the consideration of communications from non-Annex I Parties, as well as the timing of second national communications, taking into account Article 12.5 of the Convention, for consideration by the Subsidiary Body for Implementation at its tenth session.

7. *Requests* the secretariat:

(a) To further facilitate assistance to developing country Parties, on request, in the compilation and communication of information required, in accordance with Article 8.2 (c) of the Convention;

(b) To compile and synthesize the information provided in initial national communications from non-Annex I Parties, as indicated in decision 10/CP.2, and in so doing to report on the problems encountered in the use of guidelines for the preparation of initial communications by non-Annex I Parties, and on other issues communicated by non-Annex I Parties, with a view, among other things, to further enhancing the comparability and focus of the communications;

(c) To prepare the first compilation and synthesis report of communications from non-Annex I Parties based on submissions received from Parties by 1 June 1999 and make that

report available to the subsidiary bodies at their eleventh sessions and to the Conference of the Parties at its fifth session;

(d) To compile and make available to Parties a list of projects submitted by non-Annex I Parties in accordance with Article 12.4 of the Convention;

(e) To compile and make available to the Subsidiary Body for Implementation a report containing views and concerns identified by non-Annex I Parties, and to ensure that such views are taken into account in the GEF review of enabling activities on climate change;

8th plenary meeting
14 November 1998

Decision 13/CP.4

Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues related to hydrofluorocarbons and perfluorocarbons

The Conference of the Parties,

Noting the need to implement multilateral environmental agreements in a coherent way for the benefit of the global environment,

Recalling that the ultimate objective of the United Nations Framework Convention on Climate Change is to achieve stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system,

Noting the ongoing efforts to phase out ozone-depleting substances under the Montreal Protocol on Substances that Deplete the Ozone Layer, and that hydrofluorocarbons and perfluorocarbons are among the substances which are being used as replacements for ozone-depleting substances,

Noting further that hydrofluorocarbons and perfluorocarbons have high global warming potentials and are listed in Annex A to the Kyoto Protocol to the Convention for achieving quantified emission limitation and reduction commitments of aggregated anthropogenic carbon dioxide equivalent emissions of greenhouse gases by Parties included in Annex I to the Convention,

Considering that the Intergovernmental Panel on Climate Change (IPCC) is seeking to provide further scientific and technical information on present and future sources and levels of emissions of hydrofluorocarbons and perfluorocarbons, and options to mitigate those emissions,

Noting that the Subsidiary Body for Scientific and Technological Advice (SBSTA), with the assistance of the secretariat, is continuing its work on methodologies used by Parties for establishing estimates of emissions of hydrofluorocarbons and perfluorocarbons,

Noting further the need to consider available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons in the context of the Kyoto Protocol,

1. *Invites* Parties, the relevant bodies of the Montreal Protocol, the IPCC, intergovernmental organizations and non-governmental organizations to provide information to the secretariat, by 15 July 1999, on available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons, including their use as replacements for ozone-depleting substances;

2. *Encourages* the convening of a workshop by the IPCC and the Technology and Economic Assessment Panel of the Montreal Protocol in 1999 which will assist the SBSTA to establish information on available and potential ways and means of limiting emissions of hydrofluorocarbons and perfluorocarbons, and *invites* the IPCC to report on the results of such a joint workshop to the SBSTA at its eleventh session, if possible;

3. *Requests* the secretariat to compile the information provided, including, if available, the conclusions of the workshop, for consideration by the SBSTA at its eleventh session;

4. *Requests* the SBSTA to report on this information to the Conference of the Parties, at its fifth session, and to seek further guidance from the Conference of the Parties on this matter at that session.

5th plenary meeting
11 November 1998

Decision 14/CP.4

Research and systematic observation

The Conference of the Parties,

Recalling Article 4.1(g)-(h) and Article 5 of the United Nations Framework Convention on Climate Change, and its decision 8/CP.3,

Noting with appreciation the comprehensive report on the adequacy of the global observing systems for climate,[1] prepared and coordinated by the Global Climate Observing System secretariat in the World Meteorological Organization on behalf of organizations participating in the Climate Agenda,

Noting the conclusions of the report that, *inter alia,* in many instances global and regional coverage is inadequate,

Noting the recommendations contained in the report to improve the global observing systems for climate,

Noting the ongoing work of the agencies participating in the Climate Agenda and others in support of global observing systems for climate, including their contributions to capacity-building,

Recognizing the significant national contributions made to the global observing systems for climate,

1. *Urges* Parties to undertake programmes of systematic observation, including the preparation of specific national plans, in response to requests from agencies participating in the Climate Agenda, based on the information developed by the Global Climate Observing System and its partner programmes;

2. *Urges* Parties to undertake free and unrestricted exchange of data to meet the needs of the Convention, recognizing the various policies on data exchange of relevant international and intergovernmental organizations;

3. *Urges* Parties to actively support capacity-building in developing countries to enable them to collect, exchange and utilize data to meet local, regional and international needs;

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[1] Contained in document FCCC/CP/1998/MISC.2 and summarized in document FCCC/CP/1998/7.

4. *Urges* Parties to strengthen international and intergovernmental programmes assisting countries to acquire and use climate information;

5. *Urges* Parties to actively support national meteorological and atmospheric observing systems, including measurement of greenhouse gases, in order to ensure that the stations identified as elements of the Global Climate Observing System networks, based on the World Weather Watch and Global Atmosphere Watch and underpinning the needs of the Convention, are fully operational and use best practices;

6. *Urges* Parties to actively support national oceanographic observing systems, in order to ensure that the elements of the Global Climate Observing System and Global Ocean Observing System networks in support of ocean climate observations are implemented, to support, to the extent possible, an increase in the number of ocean observations, particularly in remote locations, and to establish and maintain reference stations;

7. *Urges* Parties to actively support national terrestrial networks including observational programmes to collect, exchange and preserve terrestrial data according to the Global Climate Observing System and the Global Terrestrial Observing System climate priorities, particularly hydrosphere, cryosphere and ecosystem observations;

8. *Requests* Parties to submit information on national plans and programmes in relation to their participation in global observing systems for climate, in the context of reporting on research and systematic observation, as an element of national communications from Parties included in Annex I to the Convention (Annex I Parties) and, as appropriate, from Parties not included in Annex I to the Convention (non-Annex I Parties);

9. *Requests* the Subsidiary Body for Scientific and Technological Advice, in consultation with the agencies participating in the Climate Agenda, drawing *inter alia* on the information provided in the second national communications from Annex I Parties and, as appropriate, in the initial national communications from non-Annex I Parties, to inform the Conference of the Parties at its fifth session of developments regarding observational networks, difficulties encountered, *inter alia*, with respect to the needs of developing countries and options for financial support to reverse the decline in observational networks;

10. *Invites* the agencies participating in the Climate Agenda, through the Global Climate Observing System secretariat, to initiate an intergovernmental process for addressing the priorities for action to improve global observing systems for climate in relation to the needs of the Convention and, in consultation with the Convention secretariat and other relevant organizations, for identifying immediate, medium-term and long-term options for financial

support; and *requests* the secretariat to report results to the Subsidiary Body for Scientific and Technological Advice at its tenth session.

5th plenary meeting
11 November 1998

Decision 15/CP.4

Review of information and possible decisions under Article 4.2(f) of the Convention

The Conference of the Parties,

Recalling Article 4.2(f) of the United Nations Framework Convention on Climate Change and its decision 4/CP.3,

Recalling also the discussions concerning the request by Pakistan and Azerbaijan at its third session for the deletion of the name of Turkey from the lists included in Annexes I and II to the Convention,

Having received the "National Report on Climate Change" of Turkey, and *having taken under consideration* the issue of the deletion of the name of Turkey from the lists included in Annexes I and II to the Convention,

1. *Takes note* of the new information submitted on this issue at this session;

2. *Decides* to continue the review of this matter under Article 4.2(f) of the Convention at its fifth session;

3. *Requests* the Executive Secretary to place this matter on the agenda for such further review by the Conference of the Parties at its fifth session.

3rd plenary meeting
6 November 1998

Decision 16/CP.4

Impact of single projects on emissions in the commitment period

The Conference of the Parties,

Recalling its decision 1/CP.3, paragraph 5 (d), relating to consideration by the Conference of the Parties of and, as appropriate, action on suitable methodologies to address the situation of Parties listed in Annex B to the Kyoto Protocol to the United Nations Framework Convention on Climate Change for which single projects would have a significant proportional impact on emissions in the commitment period,

Having considered the conclusions of the Subsidiary Body for Scientific and Technological Advice on this matter at its eighth and ninth sessions,

1. *Requests* the Subsidiary Body for Scientific and Technological Advice to report any additional information to the Conference of the Parties at its fifth session;

2. *Resolves* to take a conclusive decision on this matter, as appropriate, at its fifth session.

5th plenary meeting
11 November 1998

Decision 17/CP.4

Administrative and financial matters

The Conference of the Parties,

Recalling its decision 16/CP.3, paragraph 4, and decision 17/CP.3, paragraph 2,

Bearing in mind General Assembly resolution 52/215 of 22 December 1997 revising the United Nations scale of assessments, and considering the recommendation of the Subsidiary Body for Implementation (SBI) to revise the indicative scale of contributions to the core budget on the basis of the revised United Nations scale of assessments,

Having considered the information contained in documents FCCC/CP/1998/8 and Add.1, FCCC/CP/1998/9, FCCC/CP/1998/10, FCCC/CP/1998/INF.1 and FCCC/CP/1998/INF.6,

I. Financial statements and audited reports, 1996-1997

1. *Takes note* of the audited financial statements for the biennium 1996-1997, and the audit reports by the Office of Internal Oversight Services and by the Board of Auditors of the United Nations;

2. *Expresses appreciation* to the United Nations for arranging the audits of the operations of the Convention secretariat, and for the valuable audit observations and recommendations, and *takes note* of those recommendations;

3. *Takes note also* of the actions already taken by the Executive Secretary to implement the recommendations made by both the internal and external auditors, and *urges* that the implementation be completed as soon as possible;

II. Financial performance, 1998-1999

4. *Takes note* of the initial report on financial performance in 1998, including the status of contributions to all the trust funds of the Convention;

5. *Expresses* appreciation to Parties that have paid their contributions to the core budget and to Parties which have made additional voluntary contributions towards the Trust Fund for Supplementary Activities;

6. *Reiterates* its appreciation for the contributions received from Parties to assist the participation of developing country Parties, particularly the least developed and small island developing countries, and *invites* Parties to continue contributing generously towards this end;

7. *Reiterates* its appreciation to the Government of Germany for its annual contribution of DM 3.5 million and its special contribution to the core budget of DM 1.5 million as host Government to the secretariat in Bonn;

8. *Urges* Parties which have not paid their contributions to the core budget for 1996, 1997 or 1998 to do so without further delay, and *recalls* that contributions for 1999 are due on 1 January 1999;

9. *Notes with concern* the significant carry-over from one biennium to the next, arising *inter alia* from late payment of contributions, and *requests* the Executive Secretary to present options on how to deal with this issue for consideration and recommendation by the SBI at its tenth session, with a view to taking a decision on this matter, if needed, at a future session of the Conference of the Parties;

III. Administrative arrangements

10. *Takes note* of the developments reported by the Executive Secretary in his discussions with the United Nations regarding administrative arrangements for the Convention;

11. *Endorses* the efforts of the United Nations and the Executive Secretary to achieve a more rational and efficient approach to the administrative arrangements between the secretariat and the United Nations;

12. *Requests* the Executive Secretary to report to the SBI at its tenth session on progress made in implementing the new administrative arrangements;

13. *Takes note* of the cooperation between the Convention secretariat and the secretariats of the United Nations Convention to Combat Desertification and the Convention on Biological Diversity, and *invites* the Executive Secretary to consult with the heads of the secretariats of those Conventions and report to the SBI at its eleventh session;

IV. Financial procedures

14. *Adopts* the indicative scale of contributions to the core budget contained in the annex to this decision, which is based on the revised United Nations scale of assessments and which follows the principle that all Parties should contribute to the Convention budget;

15. *Adopts* the new indicative scale for the biennium 1998-1999 adjusted so as to ensure that no Party contributes less than 0.001 per cent of the total; that no one contribution exceeds 25 per cent of the total; and that no contribution from a least developed country Party exceeds 0.01 per cent;

16. *Amends* paragraph 7 (a) of the financial procedures (as contained in decision 15/CP.1, annex I) to read as follows: "Contributions made each year by Parties on the basis of the indicative scale adopted by consensus by the Conference of the Parties, and based on such a scale of assessments of the United Nations as may be adopted from time to time by the General Assembly";

V. Programme budget, 2000-2001

17. *Requests* the Executive Secretary to submit for consideration by the SBI at its tenth session a proposed programme budget for the biennium 2000-2001, including a contingency for conference services should this prove necessary in the light of decisions to be taken by the General Assembly at its fifty-fourth session;

18. *Requests* the SBI at its tenth session to recommend a programme budget for adoption by the Conference of the Parties at its fifth session.

5th plenary meeting
11 November 1998

Annex

INDICATIVE SCALE OF CONTRIBUTIONS TO THE CORE BUDGET OF UNFCCC: 1998-1999

Party	Indicative scale	
	1998	1999
Albania	0.003	0.003
Algeria	0.112	0.09
Antigua and Barbuda	0.002	0.002
Argentina	0.74	0.984
Armenia	0.026	0.011
Australia	1.417	1.424
Austria	0.901	0.904
Azerbaijan	0.058	0.021
Bahamas	0.014	0.014
Bahrain	0.017	0.016
Bangladesh	0.01	0.01
Barbados	0.008	0.008
Belgium	1.056	1.06
Belize	0.001	0.001
Benin	0.002	0.002
Bhutan	0.001	0.001
Bolivia	0.008	0.007
Botswana	0.01	0.01
Brazil	1.459	1.413
Bulgaria	0.043	0.018
Burkina Faso	0.002	0.002
Burundi	0.001	0.001
Cambodia	0.001	0.001
Cameroon	0.013	0.012
Canada	2.722	2.646
Cape Verde	0.001	0.002
Central African Republic	0.002	0.001
Chad	0.001	0.001
Chile	0.109	0.126
China	0.868	0.935
Colombia	0.104	0.105
Comoros	0.001	0.001
Congo	0.003	0.003
Cook Islands	0.001	0.001
Costa Rica	0.016	0.015
Côte d'Ivoire	0.012	0.009
Croatia	0.054	0.035
Cuba	0.038	0.025
Cyprus	0.033	0.033
Czech Republic	0.163	0.116
Democratic People's Republic of Korea	0.03	0.018
Democratic Republic of the Congo	0.008	0.007

Party	Indicative scale	
	1998	1999
Denmark	0.662	0.664
Djibouti	0.001	0.001
Dominica	0.001	0.001
Ecuador	0.021	0.019
Egypt	0.066	0.062
El Salvador	0.012	0.012
Eritrea	0.001	0.001
Estonia	0.022	0.014
Ethiopia	0.007	0.006
European Community	2.5	2.5
Fiji	0.004	0.004
Finland	0.518	0.521
France	6.256	6.285
Gabon	(new)	0.014
Gambia	0.001	0.001
Georgia	0.056	0.018
Germany	9.277	9.425
Ghana	0.01	0.007
Greece	0.355	0.337
Grenada	0.001	0.001
Guatemala	0.018	0.017
Guinea	0.003	0.003
Guinea-Bissau	0.001	0.001
Guyana	0.001	0.001
Haiti	0.002	0.002
Honduras	0.004	0.003
Hungary	0.115	0.115
Iceland	0.031	0.031
India	0.294	0.287
Indonesia	0.167	0.177
Iran (Islamic Republic of)	0.292	0.185
Ireland	0.215	0.215
Israel	0.317	0.332
Italy	5.196	5.22
Jamaica	0.006	0.006
Japan	17.322	19.203
Jordan	0.008	0.006
Kazakhstan	0.119	0.063
Kenya	0.007	0.007
Kiribati	0.001	0.001
Kuwait	0.148	0.129
Lao People's Democratic Republic	0.001	0.001

Party	Indicative scale	
	1998	1999
Latvia	0.044	0.023
Lebanon	0.015	0.015
Lesotho	0.002	0.002
Liechtenstein	0.005	0.006
Lithuania	0.043	0.021
Luxembourg	0.064	0.065
Malawi	0.002	0.002
Malaysia	0.162	0.173
Maldives	0.001	0.001
Mali	0.003	0.002
Malta	0.013	0.013
Marshall Islands	0.001	0.001
Mauritania	0.001	0.001
Mauritius	0.009	0.009
Mexico	0.907	0.942
Micronesia (Federated States of)	0.001	0.001
Monaco	0.003	0.004
Mongolia	0.002	0.002
Morocco	0.039	0.039
Mozambique	0.002	0.001
Myanmar	0.009	0.008
Namibia	0.007	0.007
Nauru	0.001	0.001
Nepal	0.004	0.004
Netherlands	1.56	1.567
New Zealand	0.213	0.212
Nicaragua	0.002	0.001
Niger	0.002	0.002
Nigeria	0.067	0.038
Niue	0.001	0.001
Norway	0.583	0.586
Oman	0.048	0.049
Pakistan	0.058	0.057
Panama	0.015	0.012
Papua New Guinea	0.007	0.007
Paraguay	0.013	0.013
Peru	0.082	0.091
Philippines	0.074	0.077
Poland	0.242	0.199
Portugal	0.355	0.401
Qatar	0.032	0.032
Republic of Korea	0.92	0.955
Republic of Moldova	0.041	0.017
Romania	0.098	0.064
Russian Federation	2.768	1.429
Saint Kitts and Nevis	0.001	0.001
Saint Lucia	0.001	0.001
Saint Vincent and the Grenadines	0.001	0.001
Samoa	0.001	0.001
San Marino	0.002	0.002
Saudi Arabia	0.572	0.547
Senegal	0.006	0.006
Seychelles	0.002	0.002
Sierra Leone	0.001	0.001
Singapore	0.161	0.169
Slovakia	0.051	0.037
Slovenia	0.058	0.059
Solomon Islands	0.001	0.001
South Africa	0.352	0.352
Spain	2.477	2.488
Sri Lanka	0.013	0.012
Sudan	0.009	0.007
Suriname	0.004	0.004
Swaziland	0.002	0.002
Sweden	1.059	1.042
Switzerland	1.17	1.168
Syrian Arab Republic	0.06	0.061
Tajikistan	(new)	0.005
Thailand	0.152	0.16
The Former Yugoslav Republic of Macedonia	(new)	0.004
Togo	0.002	0.001
Trinidad and Tobago	0.017	0.016
Tunisia	0.027	0.027
Turkmenistan	0.014	0.008
Tuvalu	0.001	0.001
Uganda	0.004	0.004
Ukraine	0.653	0.29
United Arab Emirates	0.171	0.171
United Kingdom	4.89	4.891
United Republic of Tanzania	0.004	0.003
United States of America	25	25
Uruguay	0.047	0.046
Uzbekistan	0.074	0.036
Vanuatu	0.001	0.001
Venezuela	0.226	0.169
Viet Nam	0.01	0.007
Yemen	0.01	0.01
Yugoslavia	0.058	0.033
Zambia	0.003	0.002
Zimbabwe	0.009	0.009
TOTAL	100	100

Decision 18/CP.4

Attendance of intergovernmental and non-governmental organizations at contact groups

The Conference of the Parties,

Having considered the conclusions of the Subsidiary Body for Implementation at its eighth session on the involvement of non-governmental organizations in the Convention process,[1]

Affirming that negotiations under the Convention are a matter for the Parties,

Considering that arrangements for the attendance of observers at contact groups should also cover representatives of intergovernmental organizations,

Recalling Article 7.6 of the Convention and rules 6 and 7 of the draft rules of procedure being applied,[2]

1. *Decides* that the presiding officers of Convention bodies may invite representatives of intergovernmental and non-governmental organizations to attend as observers any open-ended contact group established under the Convention process, unless at least one third of the Parties present at the session of the Convention body setting up that contact group object, and on the understanding that the presiding officers of such contact groups may determine at any time during their proceedings that they should be closed to intergovernmental and non-governmental organizations;

2. *Invites* the presiding officers of Convention bodies, at the time of their establishment of such a contact group, to ascertain if there are objections from Parties to attendance by intergovernmental and non-governmental organizations at that contact group under the conditions set out in paragraph 1 above.

2nd plenary meeting
2 November 1998

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[1] FCCC/SBI/1998/6, paras. 81-83.

[2] FCCC/CP/1996/2.

Decision 19/CP.4

Calendar of meetings of Convention bodies 2000 - 2001

The Conference of the Parties,

Recalling Article 7.4 of the United Nations Framework Convention on Climate Change,

1. *Decides* that the calendar of meetings of the Convention bodies for the years 2000-2001 shall be as follows:

(a) First sessional period in 2000: from 5 to 16 June;

(b) Second sessional period in 2000: November/December;[1]

(c) First sessional period in 2001: from 21 May to 1 June;

(d) Second sessional period in 2001: from 29 October to 9 November;

2. *Further decides* that, following current practice and assuming that the Conference of the Parties continues to meet annually, the second sessional period in each of these years would include a session of the Conference of the Parties.

8th plenary meeting
14 November 1998

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[1] Dates to be determined.

II. RESOLUTIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

Resolution 1/CP.4

Solidarity with Central America

The Conference of the Parties,

Having learned, with deep sadness, of the considerable loss of life and devastation caused by Hurricane Mitch in Honduras, Nicaragua, Guatemala, El Salvador, Belize, Costa Rica and Panama,

Aware of the high vulnerability of Central American countries to climate phenomena,

Concerned that global warming may be contributing to the worsening of weather, and *concluding* that further scientific investigation of the impacts of climate change and its relationship to extremes of weather is critical,

Recognizing as well that the unfortunate occurrences mentioned lend special urgency to our deliberations in this Conference, and oblige us to look for new opportunities for common cooperative actions,

1. *Expresses* to the people and governments of Central America its strongest solidarity in the tragic circumstances they are facing, which demonstrate the need to take action to prevent and mitigate the effects of climate change, particularly in the most vulnerable countries;

2. *Invites* the international community, including intergovernmental and non-governmental organizations, to lend immediate assistance;

3. *Urges* all governments, United Nations agencies, intergovernmental and non-governmental organizations, the private sector and society in general to continue their efforts to find permanent solutions to the factors which cause or may cause climate events, and to take steps to achieve the early entry into force of the Kyoto Protocol to the United Nations Framework Convention on Climate Change;

4. *Invites* support for the Central American initiatives from the Presidential Summit convened in San Salvador, El Salvador, on 9 November 1998, which calls for a sustainable

reconstruction plan for Central American countries, and for increased technical and financial assistance for Central America.

8th plenary meeting
14 November 1998

Resolution 2/CP.4

Expression of gratitude to the Government of the Republic of Argentina and to the City and people of Buenos Aires

The Conference of the Parties,

Having met in Buenos Aires from 2 to 14 November 1998 at the invitation of the Government of the Republic of Argentina,

1. *Expresses its profound gratitude* to the Government of the Republic of Argentina for having made it possible for the fourth session of the Conference of the Parties to be held in Buenos Aires;

2. *Requests* the Government of the Republic of Argentina to convey to the City and to the people of Buenos Aires the gratitude of the Conference of the Parties for the hospitality and warm welcome extended to the participants.

8th plenary meeting
14 November 1998

III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES

1. Issues of mutual concern to the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity

At its 3rd plenary meeting, on 6 November 1998, the Conference of the Parties decided that issues of mutual concern to the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity should be taken up by the subsidiary bodies at their tenth sessions. The Chairmen of the subsidiary bodies, in consultation with the rest of the Bureau, should determine the allocation of those issues between the two subsidiary bodies (see Part One, section VIII, para. 92 of the present report).

2. Scientific and methodological aspects of the proposal by Brazil

At its 5th plenary meeting, on 11 November 1998, the Conference of the Parties took note of the following conclusions on this subject, adopted by the Subsidiary Body for Scientific and Technological Advice (SBSTA) at its ninth session:[1]

(a) The SBSTA noted the information provided by Brazil on recent scientific activities and on the workshop to be organized regarding the proposal presented by Brazil in document FCCC/AGBM/1997/MISC.1/Add.3. The SBSTA also noted the potential contribution of other relevant analyses to increase understanding of the methodological and scientific aspects of this proposal. The SBSTA invited the delegation of Brazil to inform the SBSTA at its tenth session of the results of its workshop and provide it with other relevant information;

(b) The SBSTA decided to further consider at its tenth session the scientific and methodological aspects of the proposal by Brazil.

The Conference of the Parties requested the SBSTA to inform it, at its fifth session, of any relevant information, taking into account the results of ongoing scientific activities and information from a workshop to be organized by Brazil on that issue (see Part One, section IV H, para. 73 of the present report).

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[1] See FCCC/SBSTA/1998/9, para. 29.